

1           Q       This is Comcast Exhibit 66 I'm  
2       looking at. Do you have that one, sir?

3           A       Yes, I do.

4           Q       Now, I think you testified that  
5       Golf was not involved at all in this decision,  
6       correct, sir?

7           A       Yes.

8           Q       But if you turn to page 8, there  
9       at the bottom there is a discussion of ad  
10      revenue. Do you see that?

11          A       Yes.

12          Q       And it says in the second sentence  
13      that, "Ad revenue was reduced from  
14      management's plan based upon input from Gene  
15      Pizzolato, SVP Ad Sales at The Golf Channel."  
16      Do you see that, sir?

17          A       I do see that.

18          Q       So that the numbers of the ad  
19      revenue of The Tennis Channel were checked out  
20      with the guy who was in charge of ad sales at  
21      The Golf Channel, correct, sir?

22          A       That appears to be what that is

1       saying.

2               Q       Okay. Now, you understood, sir,  
3       did you not, that when you and The Tennis  
4       Channel, or your staff and The Tennis Channel,  
5       had the courtesy to deal with other in your  
6       relationship, to explain why you rejected this  
7       -- and I'm going to refer to that period for  
8       a moment -- there was a good relationship  
9       between The Tennis Channel and Comcast at that  
10      time, wasn't there, sir?

11             A       Yes.

12             Q       And so you explained to them why  
13      they, in fact, didn't -- why you didn't accept  
14      this offer, why you didn't think it was a good  
15      offer yet.

16             A       I don't think I had discussions  
17      with the tennis folks after this offer. I  
18      think Jenn Gaiski may have had discussions  
19      with them, but presumably she would have  
20      explained our rationale behind our selection.

21             Q       And we looked at the handwritten  
22      notes which discuss this -- I think they were

1 from Mr. Shell's group -- in which you said  
2 that it was explained to The Tennis Channel  
3 why the MFN offer wasn't accepted. Do you  
4 remember that?

5 A I'm sorry. Were you referring to  
6 which --

7 Q I was referring to your testimony  
8 earlier today, and I think Mr. Carroll --

9 A Handwritten notes?

10 Q -- had mentioned some handwritten  
11 notes that were in here.

12 A On the -- these were from The  
13 Tennis Channel's handwritten notes?

14 Q Right. But he mentioned that --  
15 and he pointed them to you and said, "Well,  
16 didn't someone from Comcast call Tennis  
17 Channel to explain why they hadn't accepted  
18 the offer?"

19 MR. CARROLL: I think you actually  
20 objected to that, and I ended up -- but you're  
21 welcome to do it. I think --

22 MR. PHILLIPS: I don't think I

1 objected to your use of the --

2 MR. CARROLL: Okay. Then -- I  
3 misunderstood then. Go ahead.

4 MR. PHILLIPS: Okay. I'll back  
5 off that.

6 BY MR. PHILLIPS:

7 Q Here's my question -- let me show  
8 you another exhibit.

9 A Okay.

10 MR. PHILLIPS: May I approach,  
11 Your Honor?

12 JUDGE SIPPEL: Certainly you may.  
13 I'm just still puzzled by you told him you  
14 objected, then you're not objecting.

15 MR. PHILLIPS: I'm going to move  
16 on, just to eliminate the issue over it. I'd  
17 like to --

18 JUDGE SIPPEL: It was getting  
19 interesting.

20 MR. PHILLIPS: -- introduce  
21 Comcast Exhibit 416.

22 JUDGE SIPPEL: 416?

1 MR. PHILLIPS: Yes.

2 JUDGE SIPPEL: Comcast 416.

3 MR. PHILLIPS: Comcast 416.

4 JUDGE SIPPEL: Thank you. And the  
5 date on this is July 31, 2006, is that right?

6 MR. PHILLIPS: Yes.

7 BY MR. PHILLIPS:

8 Q Now, this is a note Mr. Solomon  
9 sent to you, right, sir?

10 A Yes.

11 Q Do you recall getting it?

12 A No, I don't.

13 Q You don't recall. Okay.

14 A No.

15 Q But Mr. Solomon is saying that --  
16 and I'm pointing to the last sentence of the  
17 first paragraph, if I can. He is saying, "As  
18 well, there are lots of things we are working  
19 on here that might make this a more attractive  
20 option for you in the future." Do you see  
21 that, sir?

22 A I do.

1           Q       And you understood that Tennis  
2       Channel was still in the process of trying to  
3       improve its services to make it a more  
4       compelling option, didn't you, sir?

5           A       Yes.

6           Q       And, in fact, if I can turn back  
7       to the timeline, some of the things that  
8       aren't listed on here is -- well, there is the  
9       French Open that The Tennis Channel got some  
10      of the cable rights to. Do you know when that  
11      happened and when it started showing the  
12      French Open?

13          A       No, it would have been in I think  
14      '08/'09 timeframe.

15          Q       What if I told you 2007, would you  
16      disagree with me?

17          A       No.

18          Q       Okay. And after that, if I told  
19      you the Australian Open -- that was another  
20      major -- the French Open was the first major  
21      that The Tennis Channel got cable rights to,  
22      is that correct, sir?

1           A       I actually don't know that, but it  
2 sounds fine.

3           Q       Okay. And then, do you recall  
4 that they got cable rights to the Australian  
5 Open?

6           A       Yes.

7           Q       And do you recall when that  
8 happened, sir?

9           A       No.

10          Q       That would be January 2008. Also,  
11 that's not on this timeline, but --

12          A       Okay.

13          Q       -- do you recall that?

14          A       No, I don't recall that.

15          Q       And then, do you recall that they  
16 got cable rights to Wimbledon after that, sir?

17          A       I know they got rights to some  
18 Wimbledon coverage. I don't think they had  
19 live rights, but, in any event, I think in  
20 that same timeframe they did get some rights  
21 to Wimbledon coverage.

22          Q       Right. And that was in August or

1 September of -- I'm sorry, June/July of 2008.

2 A I don't know that for a fact, but  
3 that sounds plausible.

4 Q And then, the U.S. Open, which is  
5 the fourth of the four majors, they got some  
6 cable rights -- do you recall that The Tennis  
7 Channel got some cable rights to the U.S. Open  
8 in around the summer of 2009?

9 A I didn't know the timing, but they  
10 did get some rights to the U.S. Open coverage,  
11 yes.

12 Q And also in this timeline, which  
13 it's not on here, but it's after that last MFN  
14 offer, The Tennis Channel rolled out high  
15 definition. Do you recall that, sir?

16 A Yes.

17 Q Do you recall when they started  
18 the high definition feed?

19 A No.

20 Q It was January 2008. Would you  
21 dispute that?

22 A No.



1           Q     And that high definition, when  
2           they rolled it out, they made that available  
3           free to Comcast, did they not, sir?

4           A     Yes.

5           Q     They didn't try to charge you any  
6           extra for that high definition feed.

7           A     No.

8           Q     They also added some studio  
9           personalities at that time, sir. Were you  
10          aware of that?

11          A     No.

12          Q     For example, like you know who  
13          Jimmy Connors is.

14          A     I do.

15          Q     And they added Jimmy Connors as an  
16          on-the-air personality during that time. Do  
17          you recall that?

18          A     No.

19          Q     Do you recall when it happened?

20          A     No.

21          Q     You wouldn't dispute me if I said  
22          2009, would you, sir?

1           A       No.

2           Q       And they also had John McEnroe,  
3 another personality that they added?

4           A       I didn't -- wasn't aware of that.

5           Q       Well, I won't go through the rest  
6 of the personalities right now. So let's go  
7 back to this timeline again, because there are  
8 a few other things that I want to make sure  
9 that we cover on here.

10           JUDGE SIPPEL: I'm sorry. They  
11 were -- were they commentators on --

12           MR. PHILLIPS: On The Tennis  
13 Channel.

14           JUDGE SIPPEL: -- on the non-event  
15 -- the non-event programs, as Mr. Egan  
16 explained that?

17           MR. PHILLIPS: I believe both,  
18 Your Honor. I believe he also called matches,  
19 and the commentators and the non-events.

20           JUDGE SIPPEL: All of them, okay.  
21 Thank you. But they were commentators.

22           MR. PHILLIPS: Yes.

1 JUDGE SIPPEL: And are  
2 commentators.

3 MR. PHILLIPS: Yes, Your Honor.

4 BY MR. PHILLIPS:

5 Q So between the time of the last  
6 MFN offer in 2007 and the May 2009 offer, The  
7 Tennis Channel had added three out of four  
8 majors, rights to three out of four majors,  
9 plus high definition television, plus some  
10 famous commentators. Do you disagree with  
11 that?

12 A No.

13 Q And were you aware of that, by the  
14 way, in 2009?

15 A Yes.

16 Q Now, let's go back and catch some  
17 other dates that I think are important for  
18 this timeline. Let's start with the Major  
19 League Baseball. That was signed in 2007 but  
20 launched when? 2009?

21 A Yes, sir.

22 Q And that was launched on D1, I

1 think you testified, was it not?

2 A That's correct.

3 Q Okay. And that was -- at the time  
4 that it was signed and agreed to to launch on  
5 D1, that's also when Comcast got its equity  
6 interest, correct, sir?

7 A Yes.

8 Q Okay. And then, there is the NHL,  
9 which also is -- I don't think it's on here,  
10 but the NHL was launched on D1 in 2009?

11 A Yes.

12 Q And it was also launched -- it had  
13 been on the sports tier, I believe you  
14 testified.

15 A Yes, sir.

16 Q And then, you did a deal in which  
17 Comcast acquired, among other things, some  
18 equity, and it was launched on D1, correct,  
19 sir?

20 A Yes.

21 Q And the NBA was also moved, sir,  
22 wasn't it, in April 2009 from the sports tier

1 down to D1, correct, sir?

2 A Yes.

3 Q Okay. And that's NBA TV.

4 A Yes.

5 Q And when I said NHL, I meant NHL  
6 TV, and MLB is Major League Baseball TV. You  
7 understood all of that?

8 A Yes, it's called The Baseball  
9 Channel, yes.

10 Q You know, I'd rather call it that,  
11 too. I just forget.

12 Now, about each of these channels  
13 -- maybe I'll take them one at a time. The  
14 Baseball Channel -- that deal required the  
15 systems to carry it at a D1 distribution  
16 level, correct, sir?

17 A Yes.

18 Q I mean, it didn't leave it up to  
19 the local operators. They had to carry it at  
20 D1, correct, sir?

21 A That's right. Sports tier was not  
22 made available to us as an option.

1           Q       Okay. And with The Hockey  
2 Channel, that deal also required the local  
3 operators to carry it at D1, right, sir?

4           A       Yes.

5           Q       It didn't leave any discretion up  
6 to the little guys out there in the field,  
7 right?

8           A       Right.

9           Q       And basketball television, NBA TV,  
10 also required the field to carry it down at  
11 D1, correct, sir?

12          A       Yes. Actually, that was NBA  
13 requiring that. It was not made available to  
14 us for us to carry it any other way.

15          Q       And Comcast agreed --

16          A       The same with Baseball.

17          Q       -- to that requirement as well?

18          A       Yes.

19          Q       And Comcast enforced all of its  
20 local systems to carry it at that level, sir,  
21 is that correct?

22          A       Yes. We didn't have a choice.

1           Q       I'm sorry, Mr. Bond. We've been  
2           through this so many times together. But if  
3           I ask a question, if you can just give me the  
4           answer, yes or no, or tell me that it doesn't  
5           work.

6           A       All right. I'm sorry.

7           Q       Thank you. Now, with the -- let  
8           me go back. One other thing I wanted to pick  
9           up real quick. The Hockey Network -- that  
10          contract involved an equity for carriage  
11          component?

12          A       Yes.

13          Q       And indeed -- and I can show you  
14          the contract if you'd like to see it, but, as  
15          I understand it, the more carriage that was  
16          given, the more equity that Comcast got --

17          A       Yes.

18          Q       -- correct?

19          A       That's correct.

20          Q       That's correct? And the less  
21          carriage the less equity it got, correct?

22          A       Yes.

1           Q       Okay. You just saved me some  
2       time. I don't have to show it to you.

3                   JUDGE SIPPEL: We are very time  
4       conscious around here.

5                   MR. PHILLIPS: I'm always time  
6       conscious, Your Honor. That's the reason I go  
7       so much faster than my partner does.

8                   MR. SCHMIDT: I object, Your  
9       Honor.

10                   (Laughter.)

11                   MR. CARROLL: You know, Your  
12       Honor, I have been waiting for that all week.

13                   (Laughter.)

14                   JUDGE SIPPEL: Why don't you just  
15       pocket that objection for later.

16                   (Laughter.)

17                   MR. PHILLIPS: I don't have the  
18       brain power my partner does.

19                   BY MR. PHILLIPS:

20           Q       There are a couple of other  
21       networks that aren't mentioned on here. I  
22       just want to go through them real quick, Mr.



1 Bond. Now, there was something called the  
2 U.S. Olympic Network that was discussed. Do  
3 you remember that?

4 A Yes.

5 Q What was the U.S. Olympic Network?

6 A It was a channel -- it never got  
7 off the ground. It was a channel that was  
8 going to be created by the U.S. Olympic  
9 Committee featuring Olympics programming.

10 Q And that was going to be co-owned  
11 by Comcast?

12 A Yes.

13 Q Okay. And the networks -- it was  
14 going to be devoted to Olympics type of  
15 information, correct, sir?

16 A Yes.

17 Q And it was going to -- I think it  
18 was started -- it was expected to launch in  
19 2010?

20 A I think that's right.

21 Q You know what? I'll tell you  
22 what, let's make this a little easier. Let me

1 mark an exhibit -- 76 and 77. I'm going to  
2 put before you -- may I approach, Your Honor?

3 JUDGE SIPPEL: Certainly. Yes,  
4 you may.

5 BY MR. PHILLIPS:

6 Q I'm going to introduce -- these  
7 are already in evidence, I believe, Tennis  
8 Channel Exhibit 76 and 77.

9 (Whereupon, the above-referred to  
10 documents were marked as The  
11 Tennis Channel Exhibits Nos. 76  
12 and 77 for identification.)

13 Mr. Bond, I'd like to refer you to  
14 -- first, let's take Exhibit 76.

15 A Yes.

16 Q Looking at the announcement there  
17 it says that the U.S. Olympic Committee and  
18 Comcast announced today that they have entered  
19 into an agreement to form the U.S. Olympic  
20 Network. "First-ever cable television network  
21 devoted solely to the excitement, competition,  
22 and values connected to the Olympic movement."

1 Do you see that, sir?

2 A I'm sorry. Mr. Phillips, where  
3 are you?

4 Q I'm in the first -- the first  
5 paragraph --

6 A Yes. All right, I see it. Okay,  
7 thank you.

8 Q And then it says -- down in the  
9 next paragraph, "It is expected to launch to  
10 2010" -- that's what we just talked about, but  
11 now I want to move three or four lines down.  
12 And do you see the sentence that says,  
13 "Viewers will be able to watch live coverage  
14 of championship competitions and, after 2012,  
15 Olympic trial events in a wide range of  
16 sports, plus live non-stop news reports,  
17 commentaries, interviews, from the locations  
18 of future Olympics and para-Olympic games and  
19 classic Olympic footage through its exclusive  
20 U.S. access to thousands of hours of  
21 programming."

22 As I understand that sentence, Mr.

1 Bond, there is not going to be anything live  
2 on the Olympic Network for two years after  
3 launch, is that correct, sir?

4 A I'm not that familiar with this  
5 channel. That seems to be what it is saying,  
6 but I'm not that familiar with --

7 Q And it wasn't going to have --

8 A -- that programming.

9 Q -- even after 2012, it was going  
10 to get Olympic trial events, but not any  
11 Olympic events.

12 A As I said, I'm not that familiar  
13 with this, but I think that's right.

14 Q And, indeed, I don't see anything  
15 in this press release -- and you should feel  
16 free to read it -- that talks about a date  
17 that they are ever going to get Olympic events  
18 to this. Sir, does that sound right to you?

19 A Yes. I haven't read the whole  
20 thing, but I assume that's right.

21 Q Now, do you recall what level in  
22 2010 the U.S. -- that Comcast was going to

1 launch the U.S. -- the Olympic TV Network that  
2 it owned half of?

3 A I believe this was going to be  
4 launched on D1. I would have to look at the  
5 agreement. I'm not that up to speed on this  
6 agreement.

7 Q Well, I jumped ahead of you.  
8 That's the reason I gave you the Reuter's  
9 press release from Tennis Channel in Exhibit  
10 77.

11 A I have it.

12 Q And if you'll look -- let's see,  
13 it's about a third of the way up from the  
14 bottom. There is a paragraph that starts,  
15 "The Committee also said Comcast," do you see  
16 that paragraph?

17 A I do.

18 Q "The Committee also said Comcast  
19 will offer The Olympic Channel as part of its  
20 digital basic offerings, giving it more  
21 exposure than competing premium sports cable  
22 channels." Now, digital basic, does that mean

1 D1 or D0, sir?

2 A I would read that as D1.

3 Q Okay. And that is to, what,  
4 approximately [REDACTED] people, I think  
5 you said?

6 A Yes. This isn't clear if it's  
7 saying D1 in all systems. Also, as a point of  
8 clarification, I think you had said that  
9 Comcast had an equity interest in this. I'm  
10 not sure if that's accurate or not. Could be  
11 true. I don't know if it's accurate.

12 Q You just don't know either way,  
13 sir, correct?

14 A Yes, that's what I'm saying.

15 Q Okay.

16 A I didn't want to be unclear on  
17 that.

18 Q Now, do you see where it says,  
19 "Giving it more exposure than competing  
20 premium sports cable channels"?

21 A I do see that.

22 Q That would include my client,

1 wouldn't it, sir? Which didn't have D1  
2 exposure.

3 A I don't know what's being referred  
4 to here as a competing premium sports cable  
5 channel.

6 Q Okay. Let me ask you about  
7 another television network, Mr. Bond. You and  
8 I talked about this one years ago --  
9 Retirement Living TV. Do you remember  
10 Retirement Living TV, sir?

11 A I do.

12 Q That was another network that was  
13 launched on Comcast?

14 A Yes.

15 Q And it was launched in 2008.

16 A Yes.

17 Q And Comcast had an equity interest  
18 in Retirement Living Television, did it not,  
19 sir?

20 A Yes.

21 Q And what tier was it launched on?

22 A On D1.

1 Q That's the one with about [REDACTED]  
2 [REDACTED] people.

3 A Yes.

4 Q Okay. Now, let's turn back to the  
5 timeline for a second, Mr. Bond.

6 A Yes.

7 Q A couple of other dates I want to  
8 look at on the timeline that aren't on here.  
9 Do you recall when The Golf Channel's contract  
10 was renegotiated and renewed?

11 A By Comcast?

12 Q Yes.

13 A The most recent was [REDACTED]

14 [REDACTED].

15 Q It was at the [REDACTED], sir,  
16 right?

17 A Yes, sir.

18 Q That was right at the end -- that  
19 was your swan song, Mr. Bond, right?

20 A That's correct.

21 Q And when was Versus' contract  
22 renegotiated and renewed?



1           A       In [REDACTED].

2           Q       Okay. Thank you. Now, the Judge  
3       asked you a few questions about this a while  
4       ago, and I have to make notes of this because  
5       I forget it otherwise, but picking up on it --  
6       let me see if I can go over it -- you said  
7       that -- you talked about how the cable  
8       distributors out there, the, you know, 1,000,  
9       2,000 cable systems very often make the  
10      decision about distribution levels. Do you  
11      remember that testimony?

12          A       Yes.

13          Q       And you said in fact with Tennis  
14      Channel that happens, and there are about [REDACTED]  
15      of them that have distributed to carry it  
16      further. Do you remember that, sir?

17          A       I do.

18          Q       Now, but, as we have discussed,  
19      that is not always true. Sometimes networks  
20      are mandated from the top, sir, aren't they?

21          A       Yes.

22          Q       And it really doesn't matter what

1       their budget implications are at the field  
2       level, because Comcast at the top is requiring  
3       them to carry it. Is that right, sir?

4             A       Well, that's not exactly accurate.

5             Q       Okay. Well, perhaps you could  
6       tell me how -- what's wrong with what I just  
7       said?

8             A       Well, in most cases, with respect  
9       to the vast majority of what's carried on the  
10      cable system, the rights to carry that  
11      programming comes out of a license, out of an  
12      affiliation agreement. And so that's  
13      negotiated between the network and Comcast.

14            Q       Comcast corporate in Philadelphia?

15            A       That's correct. That would be out  
16      of my department. So in the majority of  
17      cases, particularly with established networks  
18      or really with all networks, there is a  
19      negotiation around carriage levels. And so  
20      carriage levels are typically mandated in  
21      those contracts.

22                    So that becomes the source of I